

Date of Hearing: May 13, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1732 (Alvarez) – As Amended April 27, 2026

Policy Committee:	Natural Resources	Vote:	13 - 0
	Housing and Community Development		12 - 0

Urgency: No      State Mandated Local Program: Yes      Reimbursable: No

**SUMMARY:**

This bill adds public university and college housing projects to an existing California Environmental Quality Act (CEQA) exemption for affordable housing projects, while revising tribal consultation requirements and extending the sunset until 2037.

Specifically, this bill, among other things:

- 1) Adds a “public university housing or public college housing project” that meets specified requirements to an existing section in Public Resources Code (PRC), section 21080.40, that exempts from CEQA certain actions (such as the issuance of entitlements, land disposition, and related planning actions) for affordable housing projects that meet specified requirements, including confirmation by a public agency that, for a vacant site, the project does not contain tribal cultural resources that could be affected by the development that were found pursuant to a consultation and the effects of which cannot be mitigated, as provided.
- 2) Strikes the above requirement relating to tribal cultural resources on a vacant project site and instead (a) requires a lead agency to provide notice to, and consult with, California Native American tribes in accordance with specified statutory requirements before approving or carrying out an affordable housing or public university or public college housing project, as provided, and (b) authorizes a lead agency to impose conditions or approval on the project to avoid or mitigate potential impacts to tribal cultural resources.
- 3) Defines “public university or public college housing project” as one or more housing facilities to be occupied by students, faculty, or staff of one or more campuses of the University of California (UC), California State University (CSU), or California Community Colleges (CCC), including dining, academic, student support service spaces, and other necessary and usual attendant and related facilities and equipment, and that satisfies numerous requirements specified in the bill.
- 4) Extends the sunset on PRC section 21080.40 from January 1, 2033, to January 1, 2037.
- 5) Makes other conforming changes, such as adding “or lead agency” (in addition to “public agency”) to various provisions to ensure housing projects by the UC, CSU, and CCC are covered by the bill.

**FISCAL EFFECT:**

- 1) UC anticipates General Fund cost savings of an unknown but potentially significant amount, stating the bill “will help the University build...housing faster and more efficiently, stretching limited financial capacity further.”
- 2) CSU anticipates General Fund cost savings of an unknown amount.
- 3) CCC anticipates Proposition 98 General Fund cost savings for qualifying community college student housing projects that are not state-funded but notes that projects that proceed through the State Public Works Board must still complete and document CEQA compliance prior to preliminary plan approval.

#### COMMENTS:

- 1) **Purpose.** According to the author:

California's public colleges and universities are among the finest higher education institutions in the world. They are also at the frontlines of the student housing crisis, yet they are uniquely disadvantaged by a legal technicality that prevents them from accessing the same CEQA streamlining available to private higher education institutions and other housing developers. AB 1732 closes this gap...At a time when housing insecurity affects students and employees across California's public higher education system, it is difficult to justify maintaining procedural barriers that private developers and private colleges are not required to overcome.

- 2) **Background.** CEQA generally requires state and local government agencies to inform decisionmakers and the public about the potential environmental impacts of a proposed project and to prevent and minimize damage to the environment. Since 1978, CEQA has included statutory exemptions for housing projects. There are now at least 15 distinct CEQA exemptions for housing projects. Three are specific to projects with an affordable housing fraction and the rest are available to affordable and market-rate projects alike. Each exemption includes a range of conditions, including requirements for prior planning-level review, as well as limitations on the location and characteristics of the site. Most residential projects are approved via exemption or negative declaration under CEQA, or through ministerial permits where CEQA does not apply. The CEQA Guidelines include categorical exemptions for housing projects, allowing projects with no significant environmental impacts to proceed to approval without environmental review. In recent years, the Legislature has approved numerous statutory exemptions for infill housing developments.

This bill expands – with some modifications, including a requirement related to tribal consultation – an existing CEQA statutory exemption that currently applies to qualifying affordable housing projects, established by AB 1449 (Alvarez), Chapter 761, Statutes of 2023. The UC Student Association (UCSA), the sponsor of this bill, argues the need for more housing on college campuses is dire and CEQA is a major driver of housing unaffordability on campuses. UCSA asserts that according to the UC Regents, seven UC student housing projects were sued under CEQA between 2018 and 2022, and that litigation delays projects and “drives up housing costs, resulting in fewer available units, increased student housing insecurity and homelessness, and even deferred college acceptance for some incoming freshmen.” UCSA argues that by exempting public student housing projects from CEQA

through existing pathways, this bill will support its “broader efforts to scale solutions that mitigate and address the ongoing student housing crisis by allowing campuses to build housing faster and more affordably for the sake of students across the state.”

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